

**SPONSOR SUBSTITUTE FOR SENATE BILL NO. 84**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - FIRST SESSION

**BY SENATOR DUNLEAVY**

**Introduced: 3/29/17**

**Referred: Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the earnings of the permanent fund; and providing for an effective**  
2 **date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 37.13.020 is amended by adding a new subsection to read:

5 (b) It is the intent of the legislature that the earnings of the Alaska permanent  
6 fund be appropriated consistent with an equal draw principle. Under the equal draw  
7 principle, the amount appropriated from the earnings of the Alaska permanent fund in  
8 a given year for purposes other than for payment of dividends may not exceed the  
9 amount appropriated from the earnings of the Alaska permanent fund for the payment  
10 of dividends.

11 **\* Sec. 2.** AS 37.13.140 is amended by adding a new subsection to read:

12 (b) Following the appropriation to the dividend fund under  
13 AS 37.13.145(b)(1), the remainder of the amount available for distribution under (a) of  
14 this section shall be reduced by the difference between the amount calculated under

1 (1) of this subsection and the amount under (2) of this subsection if the amount  
 2 calculated under (1) of this subsection exceeds the amount under (2) of this  
 3 subsection:

4 (1) the total amount of oil and gas production taxes under  
 5 AS 43.55.011 - 43.55.180, mineral lease rentals, royalties, royalty sale proceeds, net  
 6 profit shares under AS 38.05.180(f) and (g), and federal mineral revenue sharing  
 7 payments and bonuses received by the state from mineral leases that are deposited into  
 8 the general fund in the current fiscal year;

9 (2) the sum of \$1,000,000,000.

10 \* **Sec. 3.** AS 37.13.145(b) is amended to read:

11 (b) At the end of each fiscal year, the corporation shall transfer from the  
 12 earnings reserve account to the

13 (1) dividend fund established under AS 43.23.045, 50 percent of the  
 14 income available for distribution under AS 37.13.140;

15 (2) general fund, the remainder of the income available for  
 16 distribution under AS 37.13.140.

17 \* **Sec. 4.** AS 37.13.140(b) and 37.13.145(b)(2) are repealed.

18 \* **Sec. 5.** Section 4 of this Act takes effect July 1, 2021.

19 \* **Sec. 6.** Except as provided in sec. 5 of this Act, this Act takes effect July 1, 2017.